

Times MBA Podcasts Week 4 – Martin Lindstrom: Sensory branding

Hi there and welcome to my presentation this week which is about sensory branding. My name is Martin Lindstrom and I am adviser to Fortune 100 brands around the world.

What is interesting about working with the five senses is it has enormous importance to our lives. I am not sure if you have tried it yourself but think about it, when you are meeting new people, for example, you are meeting them, greeting them, talking with them, listening to them, you're seeing them. You might even go further and use some of the other senses. The concept is you need to use all your senses to be able to evaluate who you are standing in front of. Now, what is so interesting is that in the world of branding and marketing, very few people are actually using their senses and that is exactly why I am sitting here today to tell you a little bit more about that.

It is kind of ironic because you are listening to my voice, that means only one sound. Why not use two senses now and that is the reason I would like to give you a web address. If you have a pen and paper ready, just write down this web address: www.martinlindstrom.com. To spell my name, the name is M-A-R-T-I-N L-I-N-D-S-T-R-O-M.com . If you go to this web site, in the upper right corner you will find a little icon saying, "Conference Download". You click on the icon and type in the secret password for today which is, "amazing". Then you type in your email address and you will be able to see a range of supporting slides to the little talk I am giving you now.

Coming back to the importance of the senses, here is what I think is very interesting. Imagine I was meeting you for the first time and I gave you a handshake and imagine I gave you one of those limp handshakes. Can you imagine it, a little bit wet, a little bit, sort of, not really impressive. My question is, if you did not know anything about me, would you employ me? Probably not. What is interesting is although you probably know we do not have a lot of links between the handshake and the personality, we actually create links between our senses so you evaluate people on other senses other than just what people are saying and what they look like, also based on the sense of touch. That gives you an idea about how important our senses are and not only that but how important they are when we are building brands. Talking about this, did you know in 1980, 7 out of 10 new product releases actually failed to survive within the first three months. When we fast forward to today, today actually eight out of ten new product releases fail. What is ironic is in the past 20 years we have become even better with research to prepare the process to make sure everything we are releasing is absolutely perfect. Despite that, we are actually failing more and more when we release products so we need to find another way to create something which is successful. I think the strategy is probably to appeal to the senses.

Coming back to the point of the senses, did you know that 83 per cent of all the communication you and I are exposed to today actually goes into the eyes. That means only 17 per cent is left to the other four senses. That is kind of strange when we come back to the other point about how important the handshake is. That means today we really do not care about the other senses. That gives a problem when I, as a consumer, want to evaluate a brand or a product. The trick will have to be to appeal to more senses. You might come back to me and say, "Well does that mean I basically have to put smell on the television commercials or something like that?" No, that is not what I am talking about. I am talking about making sure we implement the senses in a smart and intelligent way. Let me ask you a quick question. Do you have a web site? If you have a web site, do you have sound on your web site? It is not having a television commercial running with sound on your web site. I am thinking, do you have branded sound on your web site? Why not? You see, what we can see from research studies is the more sound you add to your website, obviously in a smart and tactical way, not too dramatic so it's waking up the entire office, the more people will remember your website and will come back to your website more frequently. It is so simple, we just have to think about the senses. How do we do this?

I think the best way to do this is to actually share a little strategy with you which I call, "Smash Your Brand". The strategy is from 1915 and actually comes back to the fundamental briefing of the Coca-Cola bottle. In 1915 the original brief was to develop a bottle which is so smart that if you imagine you threw this bottle on the floor, it smashed into thousands of pieces of glass, you would still be able to pick up one of those pieces of glass and recognise the brand from that little piece of glass. Now, my question to you is; can I smash your brand? Is it possible for me just by the colour of your brand or by the shape of it or by the sound or smell to actually recognise your brand, or is it that if I removed your logo from every piece of communication you have, nothing would be left? You see, that is the problem today. Almost all communication is dependent on a logo. At the end what we learn is there are a lot of other elements to work on and you can integrate the senses by doing that.

I am not sure if you remember United Colors of Benetton? United Colors of Benetton have some pretty dramatic illustrations. In fact, they were so dramatic for a while that even the pope in Rome banned the advertising for this company. Do you remember the style? It was very simplistic. They always have a contrast between black and white, they always have a very simple image on the screen. They have a smashable photo. By that, I mean you do not have to watch the logo on that particular photo, you just have to look at it and we instantly know who we are talking about. That is my question in this case. Can I smash your brand? If I can do that, what are the other components of what I call smashable elements which you want to own to make sure the consumer can relate to you?

You might say, why is that relevant? Let me take you back to an interesting story here in the United Kingdom. In the United Kingdom, around 1996, cigarette advertising was banned. What was interesting about it was the cigarette companies had enormous problems figuring out how to bypass this regulation. Let me just stress, I am not a very big fan of tobacco advertising but one of the things they did was pretty clear and I think we can learn from that. They smashed their brand. In fact, a brand called Silk Cut, you are probably aware of the brand, managed to develop a style which was so distinct. It used purple silk in all its advertising so that the very day, 1st December 1996, when advertising was banned for tobacco, consumers did not notice a difference. The logo was gone but people still knew who was behind it. That is a smashable theory.

Imagine your brand was banned for a while. Let us say that from tomorrow on you are not allowed to communicate who you are, you are only allowed to use smashable components. What would be left? What would you like to own that would be slightly different? You see, if you can do that, suddenly you are playing not just on one horse but several horses. Certain companies are working on, for example, ownership of a colour. I'm not sure if you know a company called Tiffany? Tiffany is selling jewellery. They actually own the Tiffany Blue colour, which is very distinct. Just ask if you have a wife or good friend at home who is a big fan of Tiffany. Perhaps you even might have something yourself and you recognise the box. In fact, the box is so unique that that colour is a patent of the Tiffany company. Not only that, but I actually did a test about two years ago where I invited a range of women into a room. There were 600 of them in fact, and each of them received a present from us. It was a blue Tiffany box. There was nothing in it, I have to admit. When they received it, we measured their heart beat rate and their blood pressure, and their heart beat rate went up 20 per cent. Well, if you want to make sure you get attention at home, this might be one way to do it. It also tells you another thing. Those women never saw the logo, in fact they just saw the colours. The colours obviously have an enormous power.

Did you know the colour blue is actually owned in 36 per cent of the cases by Pepsi? Well, actually, it was kind of interesting that Big Blue in the old days, which actually was associated with IBM, is owned 14 per cent today by IBM. So IBM have lost the ownership of a colour. Do not assume you can actually own a colour. Colour ownership is not something you should take for granted. You need to do it in a very consistent way.

I want to tell you another element you can smash, just coming back to those smashable components. You cannot only smash a colour, you can actually smash a word as well. Let us just try a little game. What if I am saying, "iPod"? Or perhaps iBook", or what about the phone, what name would that be? You have already seen the release, have you not, that would be the iPhone. iTV was mentioned half a year ago by Steve Jobs. In fact, whatever I do with a new name coming from Apple, you put an "i" in front of it and you instantly know what brand it is. What is so interesting is I do not even mention the word Apple in those lines. What is happening here, they are branding a word, they are making it smashable, as I call it.

Let me give you an interesting example: you know Absolut vodka, the Swedish vodka, did you know they make spelling errors in almost all the products on purpose? In fact Absolut Kurant is spelt wrong, Absolut Mandrin is spelt wrong, Absolut Citron is spelt wrong even Apeach is spelt wrong. What is interesting is, I did a test about a year ago where I spelt a brand new Absolut Strawberry. I spelt it wrong, just on purpose, then I asked consumers to guess who that would be. I removed the word, "Absolut", first and they were just looking at the word strawberry spelt wrong. 56 per cent of consumers said, "That must be the next Absolut". I said to them, "Why?" They said to me, "It is kind of obvious that Absolut is coming up with a strawberry flavour, isn't it?" But I did not mention the word, "Absolut", at all. That gives you an idea about how powerful smashable components can be.

Coming back to another element that is interesting that is of course a sense of smell. I am not sure you are aware of it but smell is incredibly important. In fact, 75 per cent of all the emotions you and I have every day is due to the sense of smell. Just imagine us squirting the most terrible smell in the room where you are sitting right now. You probably would feel that my presentation would be bad, wouldn't you, so obviously

the smell is important. It's actually much more important than any other of our five senses. In fact, it is so important because it is bypassing our rational part in the brain. It goes straight up to the emotion register as the only of our five senses. That is why we are so emotionally engaged when we're smelling the freshly baked bread down at the corner bakery, or when we, for example, are smelling the beautiful freshly cut grass. I am pretty sure that you and I are dragged back in time to thinking about the beautiful spring. It comes down to a theory invented in France many years ago, it is called, "The Proust Effect", and in fact Mr Proust, or Monsieur Proust, once had a very interesting experience. He took a beautiful biscuit and dipped it in a cup of tea. That smell was so wonderful that it actually reminded him about his mother's bakeries. It was dragging him straight back in time. There was such an amazing experience that he decided to write a book about it. In fact, he wrote six about the topic but invented the concept of the Proust Effect, the case of being taken back in time when smelling something as simply as a smell. In fact, 80 per cent of all men are affected by a positive smell, every day dragged back in time, and 90 per cent of all women.

Now, I tried it myself. Just before I was writing my book called, "Brand Sense", which is actually based on the largest research study in the world on our five senses which is why these numbers are popping up here and there. Just before I conducted this study, and actually the reason I did this study, was an experience I felt myself when I was in Tokyo. I was walking down the street in an area called Shibuya, a district in the middle of Tokyo and suddenly this beautiful woman was passing by me and she was wearing the most amazing perfume. It was so amazing. What was so amazing about it was it took me straight back in time. In fact, my best friend's mother was actually wearing that perfume when I was a little kid, perhaps 12 years of age, and it was amazing because that smell was so real. My question, of course, was: can you brand something as a smell? Imagine I sprayed a smell into your room right now and suddenly it felt, wow, and I am taking you back in time, just because of an experience I have had with a brand. Do you know what is interesting, very few brands are doing that today.

I am pretty sure I can mention a couple of brands you will be probably be taken back with just because of the smell. Think about Crayola Crayons. Do you remember the crayons, the colourful ones you had when you were a kid? I bet you if you took those Crayola Crayons and put them in front of your nose right now, you certainly would be a kid of six years of age just because of a smell. In fact, it is very interesting because that smell is gone today in most of the Crayola Crayons products., They removed this by mistake because they changed the ingredients. They really did not realise they owned a smashable component which they removed because they were so focused on the logo. Do you know what was most powerful? Is it the logo or the smell? I do not need to tell you now, do I? Do you remember Play-Doh, the modelling wax you had when you were a kid? They were adding vanilla to the product just to make sure that it is taking you back in time. What is interesting about vanilla, it is very powerful. Did you know that when women are giving birth to a new born baby, the basic smell in the milk is actually vanilla. That is a reason why a lot of companies today are adding vanilla to the product, for example, Vanilla Coke, even Vanilla Absolut Vodka and, of course, the Play-Doh as well. So these things are powerful. In everything from Johnson & Johnson's baby powder to Crayola Crayons and Play-Doh, it plays an enormous role. In fact, we did a little experiment some time ago together with a guy called Dr Allan Hurst. The experiment was to have two identical pairs of Nike shoes. The shoes on the left we did not do anything with, the shoes on the right we added a subtle smell. It was so subtle that people could not really smell it but it was still there. We asked consumers, "Which pair of shoes do you prefer?" Remember, the shoes

were identical. The consumers in 84 per cent of cases preferred the shoes on the right, the ones where we added the secret smell to it. Not only that, they were prepared to pay \$10.33 extra just because of the smell. It gives you an idea about how powerful this is. It is so powerful that companies are now starting to use it. You could use it too. Of course, it is not necessarily easy but nothing is easy when you're building brands, is it?

One brand which is doing this very well is Singapore Airlines. Have you flown with them before? If you have not, try it because it is a very different brand. In fact, they invented something called the Stefan Floridian Waters. In fact, it is a smell they invented about ten years ago. What is interesting, they are the first airline company in the world to patent a smell on board the aircraft. In fact, I am sitting with this smell right now in front of me and what is interesting about this smell is when I spray it into the room, people instantly say it is exotic, feminine and it is Singapore Airlines. That is exactly what they want to achieve. That smell is sprayed on the hot towels in the cabin. Not only that, it is so interesting that they are controlling every touch point on board the aircraft, even the make up the girls are wearing. In fact, the make up is following a special make up scheme which is coordinated with the brand manual from Singapore Airlines. The colours the girls are putting on their faces is in fact the brand colours from the logo that managed to extend into the look of those ladies. Very impressive and very controlled. What is so interesting is that Singapore Airlines, let's be honest, is just another airline company taking you from Destination A to Destination B. The catering might be better, I am not sure it is. The leg room might be the same, who knows? What is interesting is Singapore Airlines, year after year, is voted the best airline company in the world. Do you think that is a coincidence? I don't.

Another interesting thing about senses is touch. We have just talked a little bit about touch with my hand shake. What about an Apple iPod? Have you tried holding one of those in your hands? I bet you it feels like good quality. Now, let us play a little game. Imagine you take a Sony Walkman and you place it on the left and then you take an Apple iPod on the right and I blindfold you and ask you to take up the Sony Walkman. Blindfolded, do you think you will be able to know what brand it is? I do not think so. It is a plastic feeling. Can you hear the feeling when you are clicking it on the play button? Yes, probably feels like plastic. Take up the Apple iPod. Do you know what brand it is? I bet you do. It is actually more heavy than it would normally be. In fact, Steve Job spent with his team one and a half years with a British designer, a lot of time, to figure out how to remove the screws on the back because they did not want to have any distraction when it came to the sensory touch. Not only that, another thing that is interesting about this brand, they have done something very smart with smashing it. Just take a look at your iPod if you have one, can you find the logo on the front? There is no logo on the front. You see, they do not need a logo on the front. It's a smashable brand. Just the shape of it, the feel of it, the sound of it. Can you hear the clicking of the wheel when it is ticking around? It is a smashable sound. I can play that sound for you now and you would probably think about Apple iPod and I have not even shown you the logo. Not only that, think about this. Have you walked down the street and you are suddenly seeing people walking to music. It is happening every day. Walk down the street and you notice those ear plugs. Do you know it is an Apple iPod? Yes, you do, because the ear plugs are white. They've gone the opposite way to everyone else who made them black. They are now making secret advertising on the street. You know when it is an iPod. In fact, it is so prominent that in Denmark people are painting them black now because thieves know when there is an iPod in the pocket, so advertising is not necessarily for the good.

That leaves me to sound, the fourth of our senses. Sound is incredibly powerful. Just think about a Nokia phone. Do you know the ring tone of a Nokia phone? If you do not, I want to remind you one more time. (Martin sings Nokia ring tone). What is interesting is that 41 per cent of people in the United Kingdom remember that particular tune. I am not saying they are thinking of something good or bad but it is still 41 per cent. It is kind of interesting because that particular tune is a branded tune as well. It is a pure coincidence that the Nokia company suddenly realised how powerful it was. It was invented about eight or nine years ago. That tune is incredibly powerful. Let me compare it with another tune. Do you know the brand Intel, Intel Inside? Well, if I played that song or that tune, you would probably remember that one as well. The awareness for the Intel Inside tune is 56 per cent. The awareness for Nokia is 41 per cent. Intel Inside last year \$320 million promoting that particular tune. Nokia spent zero. That is the difference between branding and smart branding because if you optimise all the touch points you have, one by one you suddenly will realise your brand is increasing in value.

So what should you do to make this happen? Here are a couple of pieces of advice you might be able to take on board to drive you in the right direction to make your brand actually smashable. First thing you should realise is probably you do not see what other people are seeing. You see, if you go to McDonald's, in there the most popular sound they have in McDonald's is actually the sound of screaming kids, believe it or not. The number two sound associated with McDonald's is the sound of the beep beep beep, the sound of the french fries machine when it's ready. Number three is the sound of the cups with a plastic lid on top. You take the straw and take it through the plastic lid, can you hear that sound? That sound is a sound owned by McDonald's.

Why don't you brand the sound? That is what is so interesting, that brands are now realising that they own sounds they have not been aware of before but which the consumer suddenly associated with a brand and that they have done for many years. That is where you should be very careful because if you suddenly remove some of those beautiful sounds, touch, taste, smell, suddenly consumers will lose a link to your brand. The first thing you need to do is to figure out what do you own already. It might be you own a colour or a sound. Find out. Secondly, find out what do you want to own in the future. Do you want to own a certain tune on your website, a tune you can use on your call system as well, a tune you can use in your store if you happen to be a retailer. Are you owning a particular sound when you are opening the product? For example, the sound of the steering on the Apple iPod. What is it you own? Ask

yourself if you own any smell. I am not sure if you are a digital service or if you are a real service or whatever you are, ask yourself, do you own a smell or sound, a touch or taste and, of course, a colour or whatever it might be on sight. One by one you should analyse that. Once you have done that, you have to do a drawing for me. Again, back to the piece of paper I asked if you had at the beginning. Do a drawing of a pentagram on your paper right now. Each of the different corners should represent one of the five senses; smell, sound, touch, and taste and what we see. One by one put it on each of the corners and draw a scale from one on five. Zero is at the centre of that pentagram, five goes out to each of those different five corners. Now you should evaluate how good you are at performing and appealing to the senses with your brand right now. Are you one out of five or five out of five? If you take Nokia as an example, I would say their sound is pretty characteristic and would be four out of five. I would say that the Apple iPod, on the design side, is probably five out of five. Touch, perhaps four or five out of five. Evaluate how good you are. You might be a little bit shocked because most likely you have a little thing in the middle and nothing filling the whole pentagram. I call this a centrogram and this is

the way we evaluate brands in the future. One by one, you map out your brand. Find out how good your competitors are, how good are they performing right now. Do they have a bigger pentogram than you or a smaller one? Last but not least, find out what you want to do different three or four years on from now. You do a little map of that, that is your road map for the way to integrate the sensory branding.

Once you have done that, what do you do now? My experience is to go with what I call low hanging fruit, things you can easily implement which are easy to understand which people within your organisation can relate to and which does not cost a lot of money. Low hanging fruit are things that are memorable in my mind. Unfortunately, you cannot see me right now but I have my business card with me right now. I will tell a little story about the business card because it might put things in perspective. You see, I have written a lot of books, four books up until today, and each of those books I have realised sometimes have a huge importance for people. In fact every time I meet people they come up to me and say to me, "Look at my book", and I realise every corner in the book has been folded, at least when they think something on the page is important. I suddenly realised my brand was not my name, it is a folded corner, so my business card had a folded corner, folded on purpose with my brand embossed on the corner. What is interesting about this is that people will not forget me once they have seen my business card. You will probably notice that when you download the presentation too there is a folded corner too and even in the presentation you are downloading there is a folded corner. Everything has a folded corner. That is my brand. What is interesting is the price of folding a corner is next to nothing. That is low hanging fruit. You will never forget my card, it is folded, it will pop out amongst the other 200 business cards you have because it stands out to the sense of touch and sense of sight.

To implement a work with sensory branding is not necessarily something that costs a fortune, it is just a matter about being creative. I guess I can talk about this for many hours. I will not bore you more, you are probably busy right now. If you want to learn more about this, again, pull out your paper and I will give you an address. Go to www.martinlindstrom.com. In the upper right corner click on conference download, you type your secret password for today which is, "amazing", then you type in your email address. Once you have done that, you can download the whole presentation you have seen. By the way, on that website I have something called a video flash or brand flash, that is small videos, free of charge, uploaded every week, giving you a new story on how to smash your brand. So, if you need some inspiration, visit me online and just go onto Times Online as well. There is a lot of stuff about the topic of branding and marketing. I hope to see you online. In the meantime, good luck with your brand.